



October 2, 2002

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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

CC Docket No 00-251

Dear Ms. Dortch:

Enclosed please find the original and four copies of the Response of Verizon Virginia Inc. to AT&T's Memorandum in Support of Contract Terms for Disputed Items in the above-referenced docket. Because of disruptions caused by the IMF protests on Friday, September 27th, we were unable to hand-deliver the package on that day. By consent of the parties, we served the parties and arbitrator electronically and filed the hard copies by UPS overnight delivery. The UPS package was misdelivered and returned to us. Consequently, we are filing the hard copies with you today by hand..

Sincerely,

Constance Corry
Constance W. Corry

Legal Assistant

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September 27, 2002

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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

CC Docket No. 00-251

Dear Ms. Dortch:

cc:

Enclosed please find the original and four copies of the Response of Verizon Virginia Inc. to AT&T's Memorandum in Support of Contract Terms for Disputed Items.

Please do not hesitate to contact me with any questions.

Sincerely,

Kelly L. Faglioni

Kelly L. Faglioni

Counsel for Verizon

Jeffery Dygert, Assistant Bureau Chief, Common Carrier Bureau (8 copies)

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Before the FEDERAL COMMUNICATIONS COMMISSION Washington, D.C. 20554

OCT - 2 2002

In the Matter of)		OFFICE OF THE SECRETARY
Petition of AT&T Communications of)		
Virginia Inc., Pursuant to Section 252(e)(5))	CC Docket No. 00-251	
of the Communications Act for Preemption)		
of the Jurisdiction of the Virginia)		
Corporation Commission Regarding)		
Interconnection Disputes With Verizon)		
Virginia Inc.)		

RESPONSE OF VERIZON VIRGINIA INC. TO AT&T'S MEMORANDUM IN SUPPORT OF CONTRACT TERMS FOR DISPUTED ITEMS

Instead of seeking reconsideration or review of the Wireline Competition Bureau's findings, AT&T attempts to "fine tune" the Bureau's *Order*¹ in its post-*Order* contract proposals. With respect to § 6.2.4 relating to access toll connecting trunks, AT&T entirely abandons its own proposed contract language. In connection with Schedule 11.2.17, § 1.3.2, AT&T attempts to avoid the Bureau's finding that AT&T must pay for modifications to Verizon's systems associated with AT&T's use of its own loop qualification tools. Finally, AT&T's proposed § 11.2.12.2 introduces an entirely new issue associated with qualification of DSL loops that AT&T wishes it would have raised, but did not. In each of these cases, AT&T should not be permitted to do indirectly that which it chose not to do directly, and the Bureau should reject AT&T's proposed contract language and adopt Verizon's.

¹ Memorandum Opinion and Order ("Order") released by the Wireline Competition Bureau on July 17, 2002.

I. Section 6.2.4: Access Toll Connecting Trunks

AT&T says it opposes "Verizon's proposed" § 6.2.4. AT&T entirely ignores the fact that what it really opposes is the very same § 6.2.4 it proposed in the course of this arbitration.²

Nowhere in AT&T's Memorandum in Support of Contract Terms for Disputed Items ("AT&T's Memorandum") does it acknowledge its own proposal or explain why it now abandons its proposed language. AT&T's attempt now to disavow its own proposed contract language and characterize it as an initiative by Verizon to deny AT&T its rights should be rejected.

In its proposed § 6.2.4, filed with the Bureau on November 13, 2001,³ AT&T proposed that "AT&T's switch shall subtend the Verizon Tandem that would have served the same rate center on Verizon's network. Alternative configurations will be discussed and negotiated in good faith as part of the Joint Implementation and Grooming Process." Because the Bureau rejected Verizon's proposed § 6.2.4,⁴ Verizon has included in its conformed interconnection agreement the language that AT&T proposed and the Bureau adopted.⁵ AT&T now claims that inclusion of its own proposed § 6.2.4 amounts to a ploy by Verizon to (i) deprive AT&T of its ability to select a single POI, (ii) require AT&T to install a switch for every Verizon access tandem, and (iii) "leverage its power as an ILEC to require other local exchange carriers to

² See AT&T-proposed November interconnection agreement § 6.2.4 (Filed November 13, 2001).

³ *Id*.

⁴ Order ¶¶ 208-09 & n.697.

⁵ AT&T's proposed § 6.2.4 from its November interconnection agreement (Filed November 13, 2001) also included as its first sentence: "The Parties shall jointly determine which Verizon Tandem(s) will be subtended by each AT&T switch." This sentence was subsequently deleted by mutual agreement of the Parties; additionally, the Parties also agreed to incorporate the phrase "as identified in the LERG."

provision trunks that are its responsibility as an interexchange carrier." AT&T's newly minted arguments about the effect of the language it originally proposed are wrong.⁷

To be clear, Verizon is not requiring AT&T to establish access toll connecting trunks to every Verizon access tandem because these tandems happen to exist. The need for this trunking occurs only when AT&T has an customer (served by an AT&T local switch) whose NPA/NXX and corresponding rate center subtends a specific Verizon access tandem (as designated in the LERG). To that end, § 6.2.4, as submitted by Verizon, ensures that terminating traffic from an interexchange carrier ("IXC") is routed to an AT&T end-user in accordance with the LERG. The IXC has essentially two choices to ensure that its end-users can complete calls to a distant end-user, in this case served by AT&T. First, the IXC could route the traffic destined to an AT&T end-user by establishing trunking from its IXC point of presence ("POP") directly to AT&T's switch for termination to AT&T's end-user. Alternatively, the IXC will establish trunking to Verizon's access tandem(s) and route the traffic based on the NPA/NXX of the dialed telephone number pursuant to the LERG. From that point, AT&T can receive the traffic by establishing access toll connecting trunks between the relevant Verizon access tandem, i.e., the access tandem serving the NPA-NXX and the rate center (as identified in the LERG) of the telephone number assigned by AT&T to its end-user and terminate that traffic via its own switch to its end-user. In a single tandem LATA, AT&T would have access toll connecting trunks from Verizon's single access tandem to AT&T's switch. In a multi-tandem LATA, however, AT&T now suggests that it should have a third option for receiving IXC traffic destined to its own end-

⁶ See AT&T's Memorandum at 4-5.

⁷ Verizon also pointed out in its Argument in Support of Disputed Contract Language at 2-3 that AT&T's language is also inconsistent with other language it included in its November submission (Schedule 4, Part C §§ 6 - 8) and it is inconsistent with language the Bureau adopted for both WorldCom and Cox. See Verizon VA's Argument in Support of Disputed Contract Language at 3-5.

user, despite its agreement to the contrary. That is, for the first time in this proceeding, AT&T suggests that it can establish access toll connecting trunks to a single tandem in a multi-tandem LATA, and require Verizon to route all IXC traffic destined for any AT&T end-user to that single Verizon tandem, regardless of the associated Verizon access tandem to which that AT&T end-user's telephone number (NPA-NXX) and rate center is assigned.

For example, assume that AT&T has established access toll connecting trunks only to the Verizon access tandem in Staunton, Virginia. When an IXC delivers traffic for termination to an AT&T end-user whose NPA-NXX and corresponding rate center is associated with the Roanoke tandem in the LERG, the IXC will route the traffic to the Verizon tandem in Roanoke in accordance with the LERG. According to AT&T, Verizon should be required to switch the traffic from the Roanoke tandem to the Staunton tandem, where it would be routed over AT&T's access toll connecting trunks to AT&T's switch, and ultimately, to its end-user back in the Roanoke area. In this example, AT&T's originally proposed language and now "Verizon's proposed" § 6.2.4 requires AT&T to establish access toll connecting trunks between its switch and the Roanoke access tandem allowing AT&T to pick up the traffic at the tandem to which all the IXCs routed it.

Contrary to AT&T's assertion, establishing an access toll connecting trunk to the correct Verizon access tandem does not affect AT&T's ability to select a single point of interconnection ("POI"). Presumably AT&T itself did not actually believe that this language affects its ability to select a single POI, because AT&T never associated its proposed § 6.2.4 with the single POI issue -- Issue I-1. Nor should it. AT&T's right under the Commission's rules to establish a single POI in a LATA relates to the exchange of traffic with Verizon. It does not extend to network interconnection for the exchange of traffic that is neither originated nor terminated on

Verizon's network.⁸ Clearly, the IXC traffic in question that is terminating to AT&T's end-user customers does not originate on Verizon's network. In this case, the required access toll connecting trunks are necessary to route terminating IXC traffic that originated elsewhere.

AT&T's argument that § 6.2.4 requires it to install an additional switch for each Verizon access tandem also lacks merit. Section 6.2.4 merely provides that AT&T must establish a direct connection between its switch and the Verizon access tandem that serves the same rate center as the AT&T customer. AT&T argues that the language in § 6.2.4 would inhibit its ability to provide broad geographic coverage with fewer switches. To the contrary, § 6.2.4 recognizes that AT&T's switch can establish direct trunk connections to multiple Verizon switches thus covering a relatively broad geographic area. Simply ordering a trunk group and associated transport facilities to the proper Verizon access tandem does not require AT&T to install another switch. Indeed, the first sentence of AT&T's proposed § 6.2.4 in its November Proposed Agreement recognized the potential requirement for establishing multiple trunking connections between Verizon access tandems and an AT&T switch.

⁸ See 47 C.F.R. § 51.5 (emphasis added), defining "Interconnection" as the "linking of two networks for the mutual exchange of traffic."

⁹ Using AT&T's example, if NPA/NXX codes in AT&T's switch subtends Verizon's access tandem in Staunton, Virginia, the same switch could receive terminating IXC calls from Verizon's access tandem in Roanoke, Virginia using access toll connecting trunks for ATT's NPA/NXX codes that subtend the Roanoke access tandem. Thus, if an AT&T customer's telephone number corresponds to the Roanoke rate center, the AT&T switch that subtends the Verizon access tandem in Staunton, Virginia could also receiving terminating IXC traffic via access toll connecting trunks from the Roanoke access tandem to serve the AT&T customer in the Roanoke rate center. This is a common configuration used by CLECs. In fact, AT&T follows this practice today in Virginia where they have established access toll connecting trunks between their Monrovia switch and separate Verizon access tandems in Culpeper and Winchester.

¹⁰ See AT&T-proposed November interconnection agreement § 6.2.4 (Filed November 13, 2001). AT&T's first sentence read: "The Parties shall jointly determine which *Verizon Tandem(s)* will be subtended by *each AT&T switch*" (emphasis added).

Finally, by including AT&T's § 6.2.4 consistent with the Bureau's Order, Verizon is not, as AT&T alleges, attempting to further the interests of its long distance affiliate should a Verizon long distance affiliate begin to do business in Virginia. AT&T flatters Verizon's strategic skills in suggesting that Verizon could manipulate the outcome of the *Order* to ensure that the Bureau adopted what is *AT&T's* own proposed language to further the alleged ploy of a Verizon long distance affiliate not yet doing business in Virginia. When a Verizon long distance affiliate begins to provide service in Virginia, it will route traffic according to the LERG. Just as in the previously discussed example, a Verizon long distance affiliate will deliver traffic either (i) directly to AT&T at the AT&T switch or (ii) to the Verizon access tandem to which the AT&T end-user's NPA-NXX is assigned in accordance with the LERG. It is AT&T's responsibility --not Verizon's, a future Verizon affiliate's, or any other IXC's -- to establish terminating connectivity between the access tandem native to the NPA/NXX used by AT&T's end-user customer and the AT&T switch serving that customer. AT&T cannot foist its responsibility onto Verizon or any IXC to route the traffic contrary to the LERG for AT&T's convenience.

If AT&T does not establish an access toll connecting trunk to the right Verizon access tandem, the call will be blocked unless Verizon assumes the burden (and costs) to intertandem switch the call to the access tandem where AT&T has established access toll connecting trunks. When the call is routed by the IXC to the Verizon access tandem indicated by the LERG, AT&T provides no compelling reason to relieve AT&T of the industry standard obligation to establish access toll connecting trunks while foisting the burden on Verizon to route the traffic through multiple switches.¹¹ This would result in unnecessary costs to Verizon and would actually

¹¹ Indeed, both WorldCom and Cox agreed to establish access toll connecting trunks to the proper Verizon access tandem consistent with the LERG. AT&T's new proposal, moreover, would interfere with appropriate billing. Once Verizon switches IXC traffic to a second tandem, the billing detail is (continued...)

impede and impair the operation and reliability of Verizon's network. This not only violates the LERG, but if this approach were used by all carriers, it would not be technically feasible because of its unpredictable and unmanageable impacts on network reliability.

The Bureau should reject AT&T's new arguments as well as its new contract proposal. Instead, the Bureau should direct the parties to adopt the language AT&T originally proposed and now designated as "Verizon's proposed" § 6.2.4. Alternatively, and as noted previously by Verizon, 12 the Bureau should direct the parties to adopt either WorldCom's proposed contract language under Issue IV-6 (Meet Point Trunking Arrangements) or the corresponding language agreed upon by Cox and Verizon. To do so would serve to maintain consistency and clarity in the Bureau's review of this subject matter.

II. Schedule 11.2.17 § 1.3.2: Charges for Modifications to Verizon's OSS Required by AT&T's Use of Its Own Loop Pre-Qualification Tools.

The parties' dispute over Schedule 11.2.17 § 1.3.2 grows out of the Bureau's decision to allow AT&T to use its own pre-qualification tools for line splitting if it is willing to pay for the necessary modifications to Verizon's systems. As Verizon anticipated in its Argument in Support of Disputed Contract Language ("Verizon's Argument"), AT&T's complaint about Verizon's proposed language boils down to AT&T's incorrect assertion that "no system modifications should be necessary to accept orders for DSL loops for which AT&T has

stripped and AT&T will interpret the traffic as Verizon-originated traffic for which it will attempt to bill Verizon reciprocal compensation rather than terminating access to the IXC.

¹² See Verizon's Argument at 4-5.

¹³ Order ¶ 398.

¹⁴ See Verizon's Argument at 6 ("AT&T's language is objectionable because AT&T might argue that no system modifications are required.").

performed an alternative loop qualification process."¹⁵ By simply denying that Verizon will need to modify its systems, AT&T hopes to preserve an ability to avoid paying for Verizon's significant systems modification despite the Bureau's ruling to the contrary. ¹⁶

AT&T can use Verizon's loop qualification systems or its own for line splitting. In light of the Bureau's holding, AT&T's willingness to pay for the necessary Verizon systems modifications will inform its choice. AT&T chose not to seek reconsideration of the Bureau's holding on this issue. Instead, AT&T hopes to preserve a way to avoid the consequence of the *Order* through its contract proposal. Contrary to AT&T's assertion that Verizon's contract proposal "simply reads out of the *Order* the Bureau's reference to AT&T being willing to pay for such modifications," it is AT&T's contract proposal that simply reads out of the *Order* the Bureau's requirement that AT&T pay for the requisite systems modifications "to accommodate both AT&T's needs and those of other competitive LECs." Because AT&T makes it clear that its currently proposed contract language is an attempt to preserve the benefit of the *Order* on this issue -- permission to use its own loop qualification tools -- without the burden -- paying for the necessary systems modifications.

¹⁵ AT&T's Memorandum at 10.

¹⁶ Verizon explained the significant costs associated with development of a new non-pre-qualified line splitting product in its Petition for Reconsideration and its Argument in Support of Disputed Contract Language at 7.

¹⁷ AT&T's Memorandum at 9.

¹⁸ Order ¶ 398.

¹⁹ As Verizon explained in its Petition for Clarification and Reconsideration, these modifications will be extensive. To accommodate AT&T's use of its own loop qualification tool in the line splitting context, Verizon will have to modify its pre-order, ordering, provisioning, maintenance, billing, and metrics systems.

III. Section 11.2.12.2: Loop Pre-Qualification for Stand Alone Loops.

In this arbitration, AT&T only pursued an issue regarding its right to use its own loop qualification tools for line splitting. AT&T's hindsight about what it now wishes it would have arbitrated provides the Bureau no basis to order AT&T's contract proposal under the guise of implementing the *Order*. Moreover, the Bureau should be wary of AT&T's request to extend its *Order* further on the issue of loop pre-qualification tools when it is clear that AT&T is concurrently seeking to evade the Bureau's *Order* by carving out a way to avoid paying for modifications to Verizon's systems as discussed above. Accordingly, the Commission should reject AT&T's proposed extension of the Bureau's *Order* and adopt the language Verizon has proposed to implement the *Order*.

Respectfully submitted,

Dated: September 27, 2002

Of Counsel:

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CERTIFICATE OF SERVICE

I do hereby certify that the foregoing was sent as follows this 27th day of September,

2002 by e-mail and overnight, express delivery:

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